

**Introduced by Senator Kuehl**

February 21, 2006

---

An act to amend Sections 132610, 132625, 132645, and 132650 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1384, as introduced, Kuehl. Los Angeles-Exposition Metro Line light rail project.

Existing law establishes the Los Angeles County Metropolitan Transportation Authority (LACMTA) as the single successor agency to the Southern California Rapid Transit District and the Los Angeles County Transportation Commission. The LACMTA is responsible for most transit guideway projects in Los Angeles County and has specified duties and responsibilities with regard to transportation. Existing law also establishes the Exposition Metro Line Construction Authority for the purpose of awarding and overseeing final design and construction contracts for completion of the Los Angeles-Exposition Metro Line light rail project, as specified. Existing law requires, upon allocation of federal and local funds by the LACMTA for these purposes, the construction authority to conduct the financial studies and the planning and engineering necessary for completion of the project. Existing law requires the LACMTA to identify and expeditiously enter into an agreement with the construction authority to hold in trust with the construction authority all real and personal property, and any other assets, accumulated in the planning, design, and construction of the project. Existing law requires the authority to be dissolved upon completion of the project and requires the LACMTA to assume responsibility for operating the project upon dissolution of the authority.

This bill would require the construction authority, upon allocation of federal, state, and local funds by the LACMTA for these purposes, to conduct environmental studies in addition to the financial studies and the planning and engineering necessary for completion of the project. The bill would revise the provisions requiring the LACMTA to enter into an agreement with the construction authority to hold in trust certain property and assets. The bill would require the LACMTA to assume responsibility for operating the project upon completion of the project or any of its phases. The bill would make other related changes.

Because this bill would impose additional duties on the LACMTA and the construction authority, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 132610 of the Public Utilities Code is  
2     amended to read:  
3     132610. (a) The authority has all of the powers necessary for  
4     planning, acquiring, leasing, developing, jointly developing,  
5     owning, controlling, using, jointly using, disposing of, designing,  
6     procuring, and building the project, including, but not limited to,  
7     all of the following:  
8     (1) Acceptance of grants, fees, allocations, and transfers of  
9     funds from federal, state, and local agencies, and private entities.  
10    (2) Acquiring, through purchase or through eminent domain  
11    proceedings, any property necessary for, incidental to, or  
12    convenient for, the exercise of the powers of the authority,  
13    provided the authority shall use existing right-of-ways where  
14    feasible.

1 (3) Incurring indebtedness, secured by pledges of revenue  
2 available for project completion.

3 (4) Contracting with public and private entities for the  
4 planning, design, and construction of the project. These contracts  
5 may be assigned separately or may be combined to include any  
6 or all tasks necessary for completion of the project.

7 (5) Entering into cooperative or joint development agreements  
8 with local governments or private entities. These agreements may  
9 be entered into for the purpose of sharing costs, selling or leasing  
10 land, air, or development rights, providing for the transferring of  
11 passengers, making pooling arrangements, or for any other  
12 purpose that is necessary for, incidental to, or convenient for the  
13 full exercise of the powers granted to the authority. For purposes  
14 of this paragraph, “joint development” includes, but is not limited  
15 to, an agreement with any person, firm, corporation, association,  
16 or organization for the operation of facilities or development of  
17 projects adjacent to, or physically or functionally related to, the  
18 project.

19 (6) Relocation of utilities, as necessary for completion of the  
20 project.

21 (b) The duties of the authority include, but are not limited to,  
22 all of the following:

23 (1) Conducting financial *and environmental* studies, planning,  
24 and engineering necessary for completion of the project.

25 (2) (A) Adoption of an administrative code for administration  
26 of the authority in accordance with any applicable laws,  
27 including, but not limited to, the Ralph M. Brown Act (Chapter 9  
28 (commencing with Section 54950) of Part 1 of Division 2 of Title  
29 5 of the Government Code), contracting and procurement laws,  
30 laws relating to contracting goals for minority and women  
31 business participation, and the Political Reform Act of 1974  
32 (Title 9 (commencing with Section 81000) of the Government  
33 Code).

34 (B) (i) The administrative code adopted under subparagraph  
35 (A) shall include a code of conduct for employees and board  
36 members that is consistent with Sections 84308 and 87103 of the  
37 Government Code and prohibits board members and staff from  
38 accepting gifts valued at ten dollars (\$10) or more from  
39 contractors, potential contractors, or their subcontractors.

(ii) The code shall require the disclosure, on the record, of the proceedings by the officer of the agency who receives a contribution within the preceding 24 months in an amount of more than two hundred fifty dollars (\$250) from a party or participant to a proceeding, and the disclosure by the party or participant.

(iii) The code shall provide that no officer of the agency shall make, participate in making, or in any way attempt to use his or her official position to influence the decision in a proceeding, as described in Section 84308 of the Government Code, if the officer has willfully or knowingly received a contribution in the amount of more than two hundred fifty dollars (\$250) within the preceding 24 months from a party or his or her agent, or from any participant or his or her agent, if the participant has a financial interest in the decision.

(iv) Any officer deemed ineligible to participate in a proceeding due to the provisions of this code of conduct may be replaced for the purposes of that proceeding by an appointee chosen by the appropriate appointing authority.

(v) Under the code of conduct, board members shall be deemed to have a financial interest in a decision within the meaning of Section 87100 of the Government Code if the decision involves the donor of, or intermediary or agent for a donor of, a gift or gifts aggregating ten dollars (\$10) or more in value within the 12 months prior to the time the decision was made.

(3) As necessary for final design and construction, completion of a detailed management, implementation, safety, and financial plan for the project and submission of the plan to the Governor, the Legislature, and the commission.

(c) The authority shall make reasonable progress, as determined by the commission, in the final design and construction of the project.

(d) The duties and responsibilities imposed by this section shall be contingent upon allocation of federal, *state*, and local funds by the LACMTA for these purposes.

SEC. 2. Section 132625 of the Public Utilities Code is amended to read:

1 132625. The LACMTA shall identify and expeditiously enter  
2 into an agreement or agreements with the authority to do all of  
3 the following:

4 (a) Hold in trust with the authority all real and personal  
5 property, and any other assets accumulated in the planning,  
6 design, and construction of the project, including, but not limited  
7 to, rights-of-way, documents, third-party agreements, contracts,  
8 and design documents, as necessary for completion of the  
9 project, *unless otherwise agreed upon by the LACMTA and the*  
10 *authority.*

11 (b) Outline the design review, construction, and testing  
12 process that acknowledges LACMTA's direct role in the review  
13 of the project to ensure the final project will be compatible,  
14 functionally connected, and operative within LACMTA's  
15 existing metro rail system.

16 (c) Describe the various funding sources and the obligations of  
17 the authority to assist LACMTA obtain federal, state, and local  
18 funds for the project, and the authority's obligations and duties  
19 upon receipt of the funds necessary to construct the project.

20 (d) Describe all financial elements of the project, and the  
21 budget approved for the project.

22 SEC. 3. Section 132645 of the Public Utilities Code is  
23 amended to read:

24 132645. The authority shall not encumber the project with  
25 any obligation that is transferable to the LACMTA upon  
26 completion of the design and construction of the project. The  
27 design and construction to be administered by the authority does  
28 not include rolling stock, which is a component of the operation  
29 of the project and shall be *provided and* administered by the  
30 LACMTA.

31 SEC. 4. Section 132650 of the Public Utilities Code is  
32 amended to read:

33 132650. The authority shall be dissolved upon completion of  
34 construction of the light rail project. The LACMTA shall assume  
35 responsibility for operating the project upon ~~dissolution of the~~  
36 ~~authority~~ *completion of the project or any of its phases.*

37 SEC. 5. If the Commission on State Mandates determines that  
38 this act contains costs mandated by the state, reimbursement to  
39 local agencies and school districts for those costs shall be made

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

O